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DDI *now to WNA*
Office Memorandum • UNITED STATES GOVERNMENT

TO : Assistant Director, Research & Reports

DATE: 31 October 1952

FROM : Chief, Materials Division

SUBJECT: Request for Special Estimate of Civilian Petroleum Requirements,
USSR and Satellites

1. The Petroleum Branch has completed a rather heavy study of civil requirements for the Soviet Bloc through fiscal year 1953. This was done on the basis of both peace and war. The study was circulated to members of the Petroleum Subcommittee of the EIC and discussed in one or more meetings. The representative members of the other IAC agencies were invited to make suggestions and present contributions. There was some discussion but no assistance was forthcoming. It seemed to be the consensus that the study was well done.

2. There are acknowledged weak points in the estimates and the proposed research program should materially strengthen them. On the basis of past analysis, the Petroleum Branch can extend the estimates for fiscal 1954 under the assumption of a war beginning 1 July 1953. We believe that such estimates will be adequate for WSEG. Unless the actual terms of reference contain some unforeseen requests, this can be done by 5 December in accordance with your memorandum. It is hoped that the terms of reference can be presented to the Petroleum Branch in the very near future. The branch program will be disrupted to some extent during the last quarter of 1952, but not to any major extent. This is the type of request that the Petroleum Branch is now becoming prepared to take in its stride.

3. Whereas the Petroleum Branch can prepare the estimates and informally present them before the Petroleum Subcommittee of the EIC for comments and suggestions and can incorporate any significant differences of opinion, the Branch cannot assure a coordinated paper by 5 December or any specific date. It is therefore recommended that the action be limited to informal comments and suggestions at the Petroleum Subcommittee level and that the paper go forward as an ORR study. A single member at the Subcommittee level or the EIC level could delay formal coordination indefinitely and we are most hesitant to see the Petroleum Branch placed in a position of completing the work on schedule, but not being able to present it due to delay in the formal coordination process.

HCD:VML

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